

REMARKS

Claims 1-18 are pending and at issue in this patent application. Of these, claims 1, 7, 12, 14, and 17 are independent. Applicants respectfully request reconsideration and favorable action in this case.

Applicants respectfully traverse the rejection of claims 1-18 as directed to non-statutory subject matter under 35 U.S.C. 101. In accordance with the Examiner's suggestion, claims 1, 7, 12, 14, and 17 are amended to recite the use of a server computer to receive giftcard information.

Claims 5, 6, 10, 11, and 18 are amended to conform with their respective independent claims.

Claims 1, 7, 12, 14, and 17 are amended to further recite, *inter alia*, a method for selling a disposable giftcard for use at a designated second retailer comprising the step of designating a second retailer with whom the giftcard may be exclusively used. This is supported in the specification at least at page 5.

Applicants respectfully traverse the rejection of claims 1-18 as anticipated by and as obvious over Risafi et al. (U.S. Patent No. 6,473,500).

Each of claims 1-18 recite, in part, a disposable giftcard and a method of selling the disposable giftcard comprising the step of designating at least one second retailer with whom the giftcard may be exclusively used. Risafi does not disclose a disposable giftcard or selling a disposable giftcard comprising designating a second retailer with whom the giftcard may be exclusively used, therefore Risafi cannot anticipate the pending claims.

Instead, Risafi discloses a reloadable, reusable card with security features (e.g., the use of a PIN) and insurance features (e.g., a lost card may be replaced without losing value) that support reuse of the card. The Risafi card is even designed to allow users to withdraw cash against the amount denoted by the card. Thus, even when the value of the Risafi card

has been exhausted, the card is not useless because the card can be reloaded and subsequently reused. The pending claims, on the other hand, recite a disposable giftcard, which has no value and no further use after the card's initial value, as set at purchase, is exhausted.

Risafi also discloses universal access to its value-card, which can be used at any number of merchants subscribed to a network. Unlike the giftcard of the pending claims, Risafi does not, in any manner, disclose designating a retailer with whom the giftcard may be exclusively used. Risafi only teaches and promotes universal card use.

Risafi further discloses a phone card associated with a single phone service provider. The phone card disclosed by Risafi, however, is not a giftcard. Instead, the purchase of the phone card represents the purchase of a final end product itself, i.e., phone time. Unlike a giftcard, which is redeemable at a second retailer for goods or services, among a selection of goods and services offered by the second retailer, the phone card represents a quantity of phone time which is already purchased and exhausted as phone calls are made. A giftcard, on the other hand, represents a prepaid value for goods or services to be selected by the giftcard owner.

It follows that because Risafi does not disclose a disposable giftcard or a giftcard for exclusive use at designated second retailer(s), Risafi cannot anticipate the pending claims.

Furthermore, Risafi cannot render any of the pending claims obvious because Risafi does not suggest that it would be desirable to designate second retailers for exclusive use of the giftcard or to sell a disposable giftcard. Designating second retailers for exclusive use of the giftcard enables cross-marketing campaigns amongst related retail stores by allowing one chain to promote the services of another. Additionally, new retail partnerships and associations between non-related stores can be tested by segregating (via designation of retailers) existing retailers subscribed to a giftcard network in order to determine which

associations increase net profits. This cannot be accomplished with the universal access Risafi card. Moreover, Risafi does not suggest any motivation to do this.

By using a disposable, non-reusable giftcard, retailers are absolved of the responsibility of tracking the cards after they are sold. Unlike the Risafi card, which requires tracking of customer information with card value, and the necessity for a replacement policy and procedure, the giftcard of the pending claims requires no additional card maintenance after the card is sold, except for redeeming a valid card.

Another difference to using disposable cards is that store profits may increase when card value is not redeemed because the card is lost and consequently some card buyers will buy new cards to replace them. Also, because the value of non-reloadable cards cannot be adjusted after purchase, card buyers may spend additional money buying additional cards and card receivers are motivated to increase spending at a specific second retailer when the amount of their card is less than the amount of a purchase.

The Risafi reference does not teach or suggest any desire for a disposable, non-durable, card to reduce overhead and increase profits nor designating second retailers for exclusive use of the card to enable cross-marketing efforts. Instead, Risafi discloses the opposite, i.e., a durable, non-disposable, universal access card.

It is clear that the prior art must make a suggestion of or provide an incentive for a claimed combination of elements to establish a prima facie case of obviousness. See, *In re Oetiker*, 24 U.S.P.Q.2d 1443, 1446 (Fed. Cir. 1992); *Ex parte Clapp*, 227 U.S.P.Q. 972, 973 (Bd. Pat. App. 1985). This principle holds true even if the applied art could be modified to produce the invention recited by the pending claims. See, *In re Mills*, 16 U.S.P.Q.2d 1430, 1432 (Fed. Cir. 1990); *In re Gordon*, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984) ("The mere fact that the prior art could be so modified would not have made the modification obvious unless the prior art suggested the desirability of the modification.") Because Risafi does not

disclose or even suggest the desirability of a disposable card that can be used exclusively with designated retailers in order to 1) enable cross-marketing efforts between designated retailers; or 2) reduce overhead and increase spending at designated retailers, Risafi cannot render any of the pending claims obvious.

CONCLUSION

Applicants submit that this case is in a condition for immediate allowance. For the foregoing reasons and for other reasons clearly apparent, Applicants respectfully request reconsideration and allowance of rejected claims 1-18.

If there are matters that can be discussed by telephone to further the prosecution of this application, Applicants respectfully request that the Examiner call its attorney at the number listed below.

Respectfully submitted,

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